

[DISCUSSION DRAFT]106TH CONGRESS
2D SESSION**H. R.** __________
IN THE HOUSE OF REPRESENTATIVES

Mr. LEVIN introduced the following bill; which was referred to the Committee
on _____

A BILL

To establish a framework for relations between the United
States and the People's Republic of China.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “U.S.-China Relations Act of 2000”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:



2

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Policy.
- Sec. 4. Definitions.

TITLE I—CONGRESSIONAL-EXECUTIVE COMMISSION ON THE
PEOPLE'S REPUBLIC OF CHINA

- Sec. 101. Establishment of Congressional-Executive Commission on the People's Republic of China.
- Sec. 102. Functions of the Commission.
- Sec. 103. Membership of the Commission.
- Sec. 104. Votes of the Commission.
- Sec. 105. Expenditure of appropriations.
- Sec. 106. Testimony of witnesses, production of evidence; issuance of subpoenas; administration of oaths.
- Sec. 107. Appropriations for the Commission.
- Sec. 108. Staff of the Commission.
- Sec. 109. Printing and binding costs.

TITLE II—MONITORING AND ENFORCEMENT OF THE PEOPLE'S
REPUBLIC OF CHINA'S WTO COMMITMENTS

Subtitle A—Review of Membership of the People's Republic of China in the
WTO

- Sec. 201. Review within the WTO.

Subtitle B—Authorization To Promote Compliance With Trade Agreements

- Sec. 211. Findings.
- Sec. 212. Purpose.
- Sec. 213. Authorization of appropriations.

Subtitle C—Relief From Market Disruption to Industries and Diversion of
Trade to the United States Market

- Sec. 221. Action to address market disruption.
- Sec. 222. Action in response to trade diversion.
- Sec. 223. Regulations; termination of provision.
- Sec. 224. Amendment to section 123 of the Trade Act of 1974—Compensation Authority.

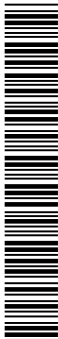
Subtitle D—Report on Compliance by the People's Republic of China With
WTO Obligations

- Sec. 231. Report on compliance.

TITLE III—TRADE AND RULE OF LAW ISSUES IN THE PEOPLE'S
REPUBLIC OF CHINA

Subtitle A—Task Force on Prohibition of Importation of Products of Forced
or Prison Labor From the People's Republic of China

- Sec. 301. Establishment of Task Force.
- Sec. 302. Functions of Task Force.
- Sec. 303. Composition of Task Force.
- Sec. 304. Authorization of appropriations.



Sec. 305. Reports to Congress.

Subtitle B—Assistance To Develop Commercial and Labor Rule of Law

Sec. 311. Establishment of technical assistance and rule of law programs.

Sec. 312. Administrative authorities.

Sec. 313. Prohibition relating to human rights abuses.

Sec. 314. Authorization of appropriations.

TITLE IV—ACCESSION OF TAIWAN TO THE WTO

Sec. 401. Accession of Taiwan to the WTO.

1 **SEC. 2. FINDINGS.**

2 The Congress finds the following:

3 (1) In 1980, the United States opened trade re-
4 lations with the People's Republic of China by enter-
5 ing into a bilateral trade agreement, which was ap-
6 proved by joint resolution enacted pursuant to sec-
7 tion 405(c) of the Trade Act of 1974.

8 (2) Since 1980, the President has consistently
9 extended nondiscriminatory treatment to products of
10 the People's Republic of China, pursuant to his au-
11 thority under section 404 of the Trade Act of 1974.

12 (3) Since 1980, the United States has entered
13 into several additional trade-related agreements with
14 the People's Republic of China, including a memo-
15 randum of understanding on market access in 1992,
16 2 agreements on intellectual property rights protec-
17 tion in 1992 and 1995, and an agreement on agri-
18 cultural cooperation in 1999.

19 (4) Trade in goods between the People's Repub-
20 lic of China and the United States totaled almost



1 \$95,000,000,000 in 1999, compared with approxi-
2 mately \$18,000,000,000 in 1989, representing
3 growth of approximately 428 percent over 10 years.

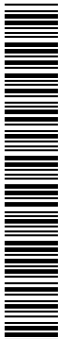
4 (5) The United States merchandise trade deficit
5 with the People's Republic of China has grown from
6 approximately \$6,000,000,000 in 1989 to over
7 \$68,000,000,000 in 1999, a growth of over 1,000
8 percent.

9 (6) The People's Republic of China currently
10 restricts imports through relatively high tariffs and
11 nontariff barriers, including import licensing, tech-
12 nology transfer, and local content requirements.

13 (7) United States businesses attempting to sell
14 goods to markets in the People's Republic of China
15 have complained of uneven application of tariffs,
16 customs procedures, and other laws, rules, and ad-
17 ministrative measures affecting their ability to sell
18 their products in the Chinese market.

19 (8) On November 15, 1999, the United States
20 and the People's Republic of China concluded a bi-
21 lateral agreement concerning terms of the People's
22 Republic of China's eventual accession to the World
23 Trade Organization.

24 (9) The commitments that the People's Repub-
25 lic of China made in its November 15, 1999, agree-



1 ment with the United States promise to eliminate or
2 greatly reduce the principal barriers to trade with
3 and investment in the People's Republic of China, if
4 those commitments are effectively enforced.

5 (10) The record of the People's Republic of
6 China in implementing trade-related commitments
7 has been mixed. While the People's Republic of
8 China has generally met the requirements of the
9 1992 market access memorandum of understanding
10 and the 1992 and 1995 agreements on intellectual
11 property rights protection, other measures remain in
12 place or have been put into place which tend to di-
13 minish the benefit to United States businesses,
14 farmers, and workers from the People's Republic of
15 China's implementation of those earlier commit-
16 ments. Notably, administration of tariff-rate quotas
17 and other trade-related laws remains opaque, new
18 local content requirements have proliferated, restric-
19 tions on importation of animal and plant products
20 are not always supported by sound science, and li-
21 censing requirements for importation and distribu-
22 tion of goods remain common.

23 (11) The human rights record of the People's
24 Republic of China is a matter of very serious con-
25 cern to the Congress. The Congress notes that the



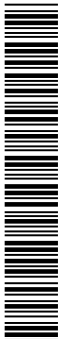
1 Department of State's 1999 Country Reports on
2 Human Rights Practices for the People's Republic
3 of China finds that "[t]he Government's poor human
4 rights record deteriorated markedly throughout the
5 year, as the Government intensified efforts to sup-
6 press dissent, particularly organized dissent."

(12) The Congress deplores violations by the Government of the People's Republic of China of human rights, religious freedoms, and worker rights that are referred to in the Department of State's 1999 Country Reports on Human Rights Practices for the People's Republic of China, including the banning of the Falun Gong spiritual movement, denial in many cases, particularly politically sensitive ones, of effective representation by counsel and public trials, extrajudicial killings and torture, forced abortion and sterilization, restriction of access to the special autonomous regions of Tibet and Xinjiang, perpetuation of "reeducation through labor", and denial of the right of workers to organize labor unions or bargain collectively with their employers.

22 **SEC. 3. POLICY.**

23 It is the policy of the United States—

(1) to develop trade relations that broaden the
benefits of trade, and lead to a leveling up, rather



1 than a leveling down, of labor, environmental, com-
2 mercial rule of law, market access, anticorruption,
3 and other standards across national borders;

4 (2) to pursue effective enforcement of trade-re-
5 lated and other international commitments by for-
6 eign governments through enforcement mechanisms
7 of international organizations and through the appli-
8 cation of United States law as appropriate;

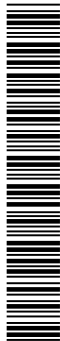
9 (3) to encourage foreign governments to con-
10 duct both commercial and noncommercial affairs ac-
11 cording to the rule of law developed through demo-
12 cratic processes;

13 (4) to encourage the Government of the Peo-
14 ple's Republic of China to afford its workers inter-
15 nationally recognized worker rights;

16 (5) to encourage the Government of the Peo-
17 ple's Republic of China to protect the human rights
18 of people within the territory of the People's Repub-
19 lic of China, and to take steps toward protecting
20 such rights, including, but not limited to—

21 (A) ratifying the International Covenant
22 on Civil and Political Rights;

23 (B) protecting the right to liberty of move-
24 ment and freedom to choose a residence within
25 the People's Republic of China (including the



1 special autonomous regions of Tibet and
2 Xinjiang) and the right to leave from and re-
3 turn to the People's Republic of China; and

4 (C) affording a criminal defendant—

5 (i) the right to be tried in his or her
6 presence, and to defend himself or herself
7 in person or through legal assistance of his
8 or her own choosing;

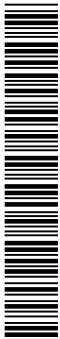
9 (ii) the right to be informed, if he or
10 she does not have legal assistance, of the
11 right set forth in clause (i);

12 (iii) the right to have legal assistance
13 assigned to him or her in any case in
14 which the interests of justice so require
15 and without payment by him or her in any
16 such case if he or she does not have suffi-
17 cient means to pay for it;

18 (iv) the right to a fair and public
19 hearing by a competent, independent, and
20 impartial tribunal established by the law;

21 (v) the right to be presumed innocent
22 until proved guilty according to law; and

23 (vi) the right to be tried without
24 undue delay; and



1 (6) to highlight in the United Nations Human
2 Rights Commission and in other appropriate fora
3 violations of human rights by foreign governments
4 and to seek the support of other governments in
5 urging improvements in human rights practices.

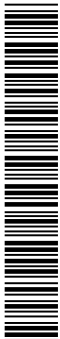
6 **SEC. 4. DEFINITIONS.**

7 In this Act:

8 (1) DISPUTE SETTLEMENT UNDERSTANDING.—
9 The term “Dispute Settlement Understanding”
10 means the Understanding on Rules and Procedures
11 Governing the Settlement of Disputes referred to in
12 section 101(d)(16) of the Uruguay Round Agree-
13 ments Act (19 U.S.C. 3511(16)).

14 (2) GOVERNMENT OF THE PEOPLE’S REPUBLIC
15 OF CHINA.—The term “Government of the People’s
16 Republic of China” means the central Government
17 of the People’s Republic of China and any other gov-
18 ernmental entity, including any provincial, prefec-
19 tural, or local entity and any enterprise that is con-
20 trolled by the central Government or any such gov-
21 ernmental entity or as to which the central Govern-
22 ment or any such governmental entity is entitled to
23 receive a majority of the profits.

24 (3) INTERNATIONALLY RECOGNIZED WORKER
25 RIGHTS.—The term “internationally recognized



1 worker rights” has the meaning given that term in
2 section 507(4) of the Trade Act of 1974 (19 U.S.C.
3 2467(4)) and includes the right to the elimination of
4 the “worst forms of child labor”, as defined in sec-
5 tion 507(6) of the Trade Act of 1974 (19 U.S.C.
6 2467(6)).

7 (4) TRADE REPRESENTATIVE.—The term
8 “Trade Representative” means the United States
9 Trade Representative.

10 (5) WTO; WORLD TRADE ORGANIZATION.—The
11 terms “WTO” and “World Trade Organization”
12 mean the organization established pursuant to the
13 WTO Agreement.

14 (6) WTO AGREEMENT.—The term “WTO
15 Agreement” means the Agreement Establishing the
16 World Trade Organization entered into on April 15,
17 1994.

18 (7) WTO MEMBER.—The term “WTO mem-
19 ber” has the meaning given that term in section
20 2(10) of the Uruguay Round Agreements Act (19
21 U.S.C. 3501(10)).



1 **TITLE I—CONGRESSIONAL-EXEC-**
2 **UTIVE COMMISSION ON THE**
3 **PEOPLE’S REPUBLIC OF**
4 **CHINA**

5 **SEC. 101. ESTABLISHMENT OF CONGRESSIONAL-EXECU-**
6 **TIVE COMMISSION ON THE PEOPLE’S REPUB-**
7 **LIC OF CHINA.**

8 There is established a Congressional-Executive Com-
9 mission on the People’s Republic of China (in this title
10 referred to as the “Commission”).

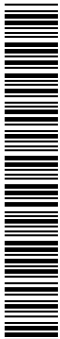
11 **SEC. 102. FUNCTIONS OF THE COMMISSION.**

12 (a) MONITORING COMPLIANCE WITH HUMAN
13 RIGHTS.—The Commission shall monitor the acts of the
14 People’s Republic of China which reflect compliance with
15 or violation of human rights, in particular, those contained
16 in the International Covenant on Civil and Political Rights
17 and in the Universal Declaration of Human Rights, includ-
18 ing, but not limited to, effectively affording—

19 (1) the right to engage in free expression (in-
20 cluding free religious expression) without fear of any
21 prior restraints;

22 (2) the right to peaceful assembly without re-
23 strictions, in accordance with international law;

24 (3) the right to liberty of movement and free-
25 dom to choose a residence within the People’s Re-



1 public of China (including the special autonomous
2 regions of Tibet and Xinjiang) and the right to leave
3 from and return to the People's Republic of China;

4 (4) the right of a criminal defendant—

5 (A) to be tried in his or her presence, and
6 to defend himself or herself in person or
7 through legal assistance of his or her own
8 choosing;

9 (B) to be informed, if he or she does not
10 have legal assistance, of the right set forth in
11 subparagraph (A);

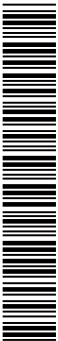
12 (C) to have legal assistance assigned to
13 him or her in any case in which the interests
14 of justice so require and without payment by
15 him or her in any such case if he or she does
16 not have sufficient means to pay for it;

17 (D) to a fair and public hearing by a com-
18 petent, independent, and impartial tribunal es-
19 tablished by the law;

20 (E) to be presumed innocent until proved
21 guilty according to law; and

22 (F) to be tried without undue delay;

23 (5) the right to be free from torture and other
24 forms of cruel or unusual punishment; and



1 (6) protection of internationally recognized
2 worker rights.

3 (b) VICTIMS LISTS.—The Commission shall compile
4 and maintain lists of persons believed to be imprisoned,
5 detained, or placed under house arrest, tortured, or other-
6 wise persecuted by the Government of the People's Repub-
7 lic of China due to their pursuit of the rights described
8 in subsection (a). In compiling such lists, the Commission
9 shall exercise appropriate discretion, including concerns
10 regarding the safety and security of, and benefit to, the
11 persons who may be included on the lists and their fami-
12 lies.

13 (c) MONITORING DEVELOPMENT OF RULE OF
14 LAW.—The Commission shall monitor the development of
15 the rule of law in the People's Republic of China, includ-
16 ing, but not limited to—

17 (1) progress toward the development of institu-
18 tions of democratic governance;

19 (2) processes by which statutes, regulations,
20 rules, and other legal acts of the Government of the
21 People's Republic of China are developed and be-
22 come binding within the People's Republic of China;

23 (3) the extent to which statutes, regulations,
24 rules, administrative and judicial decisions, and
25 other legal acts of the Government of the People's



1 Republic of China are published and are made acces-
2 sible to the public;

3 (4) the extent to which administrative and judi-
4 cial decisions are supported by statements of reasons
5 that are based upon written statutes, regulations,
6 rules and other legal acts of the Government of the
7 People's Republic of China;

8 (5) the extent to which individuals are treated
9 equally under the laws of the of the People's Repub-
10 lic of China without regard to citizenship; and

11 (6) the extent to which administrative and judi-
12 cial decisions are independent of political party or
13 governmental interference and are reviewed by enti-
14 ties of appellate jurisdiction.

15 (d) BILATERAL COOPERATION.—The Commission
16 shall monitor and encourage the development of programs
17 and activities of the United States Government and pri-
18 vate organizations with a view toward increasing the inter-
19 change of people and ideas between the United States and
20 the People's Republic of China and expanding cooperation
21 in areas that include, but are not limited to—

22 (1) increasing enforcement of human rights de-
23 scribed in subsection (a); and

24 (2) developing the rule of law in the People's
25 Republic of China.



1 (e) CONTACTS WITH NONGOVERNMENTAL ORGANI-
2 ZATIONS.—In performing the functions described in sub-
3 sections (a) through (d), the Commission shall, as appro-
4 priate, seek out and maintain contacts with nongovern-
5 mental organizations, including receiving reports and up-
6 dates from such organizations and evaluating such re-
7 ports.

8 (f) ANNUAL REPORTS.—The Commission shall issue
9 a report to the President and the Congress not later than
10 12 months after the date of the enactment of this Act,
11 and not later than the end of each 12-month period there-
12 after, setting forth the findings of the Commission during
13 the preceding 12-month period, in carrying out sub-
14 sections (a) through (c). The Commission's report may
15 contain recommendations for legislative or executive ac-
16 tion.

17 (g) CONGRESSIONAL HEARINGS ON ANNUAL RE-
18 PORTS.—(1) The Committee on International Relations of
19 the House of Representatives shall, not later than 30 days
20 after the receipt by the Congress of the report referred
21 to in subsection (f), hold hearings on the contents of the
22 report, including any recommendations contained therein,
23 for the purpose of receiving testimony from Members of
24 Congress, and such appropriate representatives of Federal
25 departments and agencies, and interested persons and



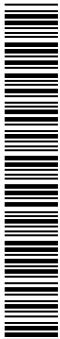
1 groups, as the committee deems advisable, with a view to
2 reporting to the House of Representatives any appropriate
3 legislation in furtherance of such recommendations. If any
4 such legislation is considered by the Committee on Inter-
5 national Relations within 45 days after receipt by the Con-
6 gress of the report referred to in subsection (f), it shall
7 be reported by the committee not later than 60 days after
8 receipt by the Congress of such report.

9 (2) The provisions of paragraph (1) are enacted by
10 the Congress—

11 (A) as an exercise of the rulemaking power of
12 the House of Representatives, and as such are
13 deemed a part of the rules of the House, and they
14 supersede other rules only to the extent that they
15 are inconsistent therewith; and

16 (B) with full recognition of the constitutional
17 right of the House to change the rules (so far as re-
18 lating to the procedure of the House) at any time,
19 in the same manner and to the same extent as in
20 the case of any other rule of the House.

21 (h) SUPPLEMENTAL REPORTS.—The Commission
22 may submit to the President and the Congress reports
23 that supplement the reports described in subsection (f),
24 as appropriate, in carrying out subsections (a) through
25 (c).



1 **SEC. 103. MEMBERSHIP OF THE COMMISSION.**

2 (a) SELECTION AND APPOINTMENT OF MEMBERS.—

3 The Commission shall be composed of 23 members as fol-
4 lows:

5 (1) Nine Members of the House of Representa-
6 tives appointed by the Speaker of the House of Rep-
7 resentatives. Five members shall be selected from
8 the majority party and four members shall be se-
9 lected, after consultation with the minority leader of
10 the House, from the minority party.

11 (2) Nine Members of the Senate appointed by
12 the President of the Senate. Five members shall be
13 selected, after consultation with the majority leader
14 of the Senate, from the majority party, and four
15 members shall be selected, after consultation with
16 the minority leader of the Senate, from the minority
17 party.

18 (3) One representative of the Department of
19 State, appointed by the President of the United
20 States from among officers and employees of that
21 Department.

22 (4) One representative of the Department of
23 Commerce, appointed by the President of the United
24 States from among officers and employees of that
25 Department.



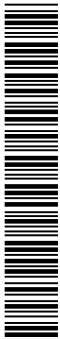
1 (5) One representative of the Department of
2 Labor, appointed by the President of the United
3 States from among officers and employees of that
4 Department.

5 (6) Two at-large representatives, appointed by
6 the President of the United States, from among the
7 officers and employees of the executive branch.

8 (b) CHAIRMAN AND COCHAIRMAN.—

9 (1) DESIGNATION OF CHAIRMAN.—At the be-
10 ginning of each odd-numbered Congress, the Presi-
11 dent of the Senate, on the recommendation of the
12 majority leader, shall designate one of the members
13 of the Commission from the Senate as Chairman of
14 the Commission. At the beginning of each even-num-
15 bered Congress, the Speaker of the House of Rep-
16 resentatives shall designate one of the members of
17 the Commission from the House as Chairman of the
18 Commission.

19 (2) DESIGNATION OF COCHAIRMAN.—At the be-
20 ginning of each odd-numbered Congress, the Speak-
21 er of the House of Representatives shall designate
22 one of the members of the Commission from the
23 House as Cochairman of the Commission. At the be-
24 ginning of each even-numbered Congress, the Presi-
25 dent of the Senate, on the recommendation of the



1 majority leader, shall designate one of the members
2 of the Commission from the Senate as Cochairman
3 of the Commission.

4 **SEC. 104. VOTES OF THE COMMISSION.**

5 Decisions of the Commission, including adoption of
6 reports and recommendations to the executive branch or
7 to the Congress, shall be made by a majority vote of the
8 members of the Commission present and voting. Two-
9 thirds of the Members of the Commission shall constitute
10 a quorum for purposes of conducting business.

11 **SEC. 105. EXPENDITURE OF APPROPRIATIONS.**

12 For each fiscal year for which an appropriation is
13 made to the Commission, the Commission shall issue a
14 report to the Congress on its expenditures under that ap-
15 propriation.

16 **SEC. 106. TESTIMONY OF WITNESSES, PRODUCTION OF EVI-**
17 **DENCE; ISSUANCE OF SUBPOENAS; ADMINIS-**
18 **TRATION OF OATHS.**

19 In carrying out this title, the Commission may re-
20 quire, by subpoena or otherwise, the attendance and testi-
21 mony of such witnesses and the production of such books,
22 records, correspondence, memoranda, papers, documents,
23 and electronically recorded data as it considers necessary.
24 Subpoenas may be issued only pursuant to a two-thirds
25 vote of members of the Commission present and voting.



1 Subpoenas may be issued over the signature of the Chair-
2 man of the Commission or any member designated by the
3 Chairman, and may be served by any person designated
4 by the Chairman or such member. The Chairman of the
5 Commission, or any member designated by the Chairman,
6 may administer oaths to any witness.

7 **SEC. 107. APPROPRIATIONS FOR THE COMMISSION.**

8 (a) AUTHORIZATION; DISBURSEMENTS.—

9 (1) AUTHORIZATION.—There are authorized to
10 be appropriated to the Commission for fiscal year
11 2001, and each fiscal year thereafter, such sums as
12 may be necessary to enable it to carry out its func-
13 tions. Appropriations to the Commission are author-
14 ized to remain available until expended.

15 (2) DISBURSEMENTS.—Appropriations to the
16 Commission shall be disbursed on vouchers
17 approved—

18 (A) jointly by the Chairman and the Co-
19 chairman; or

20 (B) by a majority of the members of the
21 personnel and administration committee estab-
22 lished pursuant to section 108.

23 (b) FOREIGN TRAVEL FOR OFFICIAL PURPOSES.—
24 Foreign travel for official purposes by members and staff



1 of the Commission may be authorized by either the Chair-
2 man or the Cochairman.

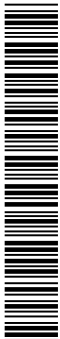
3 **SEC. 108. STAFF OF THE COMMISSION.**

4 (a) PERSONNEL AND ADMINISTRATION COM-
5 MITTEE.—The Commission shall have a personnel and ad-
6 ministration committee composed of the Chairman, the
7 Cochairman, the senior member of the Commission from
8 the minority party of the House of Representatives, and
9 the senior member of the Commission from the minority
10 party of the Senate.

11 (b) COMMITTEE FUNCTIONS.—All decisions per-
12 taining to the hiring, firing, and fixing of pay of personnel
13 of the Commission shall be by a majority vote of the per-
14 sonnel and administration committee, except that—

15 (1) the Chairman shall be entitled to appoint
16 and fix the pay of the staff director, and the Co-
17 chairman shall be entitled to appoint and fix the pay
18 of the Cochairman's senior staff member; and

19 (2) the Chairman and Cochairman shall each
20 have the authority to appoint, with the approval of
21 the personnel and administration committee, at least
22 4 professional staff members who shall be respon-
23 sible to the Chairman or the Cochairman (as the
24 case may be) who appointed them.



1 Subject to subsection (d), the personnel and administra-
2 tion committee may appoint and fix the pay of such other
3 personnel as it considers desirable.

4 (c) STAFF APPOINTMENTS.—All staff appointments
5 shall be made without regard to the provisions of title 5,
6 United States Code, governing appointments in the com-
7 petitive service, and without regard to the provisions of
8 chapter 51 and subchapter III of chapter 53 of such title
9 relating to classification and general schedule pay rates.

10 (d) QUALIFICATIONS OF PROFESSIONAL STAFF.—
11 The personnel and administration committee shall ensure
12 that the professional staff of the Commission consists of
13 persons with expertise in areas including human rights,
14 internationally recognized worker rights, international eco-
15 nomics, law (including international law), rule of law and
16 other foreign assistance programming, Chinese politics,
17 economy and culture, and the Chinese language.

18 (e) COMMISSION EMPLOYEES AS CONGRESSIONAL
19 EMPLOYEES.—

20 (1) IN GENERAL.—For purposes of pay and
21 other employment benefits, rights, and privileges,
22 and for all other purposes, any employee of the
23 Commission shall be considered to be a congressional
24 employee as defined in section 2107 of title 5,
25 United States Code.



1 (2) COMPETITIVE STATUS.—For purposes of
2 section 3304(c)(1) of title 5, United States Code,
3 employees of the Commission shall be considered as
4 if they are in positions in which they are paid by the
5 Secretary of the Senate or the Clerk of the House
6 of Representatives.

7 **SEC. 109. PRINTING AND BINDING COSTS.**

8 For purposes of costs relating to printing and bind-
9 ing, including the costs of personnel detailed from the
10 Government Printing Office, the Commission shall be
11 deemed to be a committee of the Congress.

12 **TITLE II—MONITORING AND EN-**
13 **FORCEMENT OF THE PEO-**
14 **PLE’S REPUBLIC OF CHINA’S**
15 **WTO COMMITMENTS**

16 **Subtitle A—Review of Membership**
17 **of the People’s Republic of**
18 **China in the WTO**

19 **SEC. 201. REVIEW WITHIN THE WTO.**

20 It shall be the objective of the United States to obtain
21 as part of the Protocol of Accession of the People’s Repub-
22 lic of China to the WTO, an annual review within the
23 WTO of the compliance by the People’s Republic of China
24 with its terms of accession to the WTO.



1 **Subtitle B—Authorization To Pro-**
2 **mote Compliance With Trade**
3 **Agreements**

4 **SEC. 211. FINDINGS.**

5 The Congress finds as follows:

6 (1) The opening of world markets through the
7 elimination of tariff and nontariff barriers has con-
8 tributed to a 56-percent increase in exports of
9 United States goods and services since 1992.

10 (2) Such export expansion has helped fuel the
11 longest economic expansion in United States history.

12 (3) The United States Government must con-
13 tinue to be vigilant in monitoring and enforcing the
14 compliance by our trading partners with trade agree-
15 ments in order for United States businesses, work-
16 ers, and farmers to continue to benefit from the op-
17 portunities created by market-opening trade agree-
18 ments.

19 (4) The People's Republic of China, as part of
20 its accession to the World Trade Organization, has
21 committed to eliminating significant trade barriers
22 in the agricultural, services, and manufacturing sec-
23 tors that, if realized, would provide considerable op-
24 portunities for United States farmers, businesses,
25 and workers.



1 (5) For these opportunities to be fully realized,
2 the United States Government must effectively mon-
3 itor and enforce its rights under the agreements on
4 the accession of the People's Republic of China to
5 the WTO.

6 **SEC. 212. PURPOSE.**

7 The purpose of this subtitle is to authorize additional
8 resources for the agencies and departments engaged in
9 monitoring and enforcement of United States trade agree-
10 ments and trade laws with respect to the People's Republic
11 of China.

12 **SEC. 213. AUTHORIZATION OF APPROPRIATIONS.**

13 (a) DEPARTMENT OF COMMERCE.—There is author-
14 ized to be appropriated to the Department of Commerce,
15 in addition to amounts otherwise available for such pur-
16 poses, such sums as may be necessary for fiscal year 2001,
17 and each fiscal year thereafter, for additional staff for—

18 (1) monitoring compliance by the People's Re-
19 public of China with its commitments under the
20 WTO, assisting United States negotiators with ongo-
21 ing negotiations in the WTO, and defending United
22 States antidumping and countervailing duty meas-
23 ures with respect to products of the People's Repub-
24 lic of China;



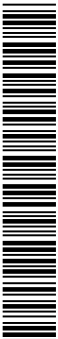
1 (2) enforcement of United States trade laws
2 with respect to products of the People's Republic of
3 China; and

4 (3) a Trade Law Technical Assistance Center
5 to assist small- and medium-sized businesses, work-
6 ers, and unions in evaluating potential remedies
7 available under the trade laws of the United States
8 with respect to trade involving the People's Republic
9 of China.

10 (b) OVERSEAS COMPLIANCE PROGRAM.—

11 (1) AUTHORIZATION OF APPROPRIATION.—

12 There are authorized to be appropriated to the De-
13 partment of Commerce and the Department of
14 State, in addition to amounts otherwise available,
15 such sums as may be necessary for fiscal year 2001,
16 and each fiscal year thereafter, to provide staff for
17 monitoring in the People's Republic of China that
18 country's compliance with its international trade ob-
19 ligations and to support the enforcement of the
20 trade laws of the United States, as part of an Over-
21 seas Compliance Program which monitors abroad
22 compliance with international trade obligations and
23 supports the enforcement of United States trade
24 laws.

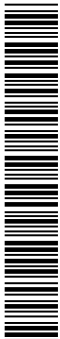


1 (2) REPORTING.—The annual report on compli-
2 ance by the People’s Republic of China submitted to
3 the Congress under section 231 of this Act shall in-
4 clude the findings of the Overseas Compliance Pro-
5 gram with respect to the People’s Republic of China.

6 (c) USTR.—There are authorized to be appropriated
7 to the Office of the United States Trade Representative,
8 in addition to amounts otherwise available for such pur-
9 poses, such sums as may be necessary for fiscal year 2001,
10 and each fiscal year thereafter, for additional staff in—

11 (1) the Office of the General Counsel, the Moni-
12 toring and Enforcement Unit, and the Office of the
13 Deputy United States Trade Representative in Ge-
14 neva, Switzerland, to investigate, prosecute, and de-
15 fend cases before the WTO, and to administer
16 United States trade laws, including title III of the
17 Trade Act of 1974 (19 U.S.C. 2411, et seq.) and
18 other trade laws relating to intellectual property,
19 government procurement, and telecommunications,
20 with respect to the People’s Republic of China;

21 (2) the Office of Economic Affairs, to analyze
22 the impact on the economy of the United States, in-
23 cluding United States exports, of acts of the Govern-
24 ment of the People’s Republic of China affecting ac-
25 cess to markets in the People’s Republic of China



1 and to support the Office of the General Counsel in
2 presenting cases to the WTO involving the People's
3 Republic of China;

4 (3) the geographic office for the People's Re-
5 public of China; and

6 (4) offices relating to the WTO and to different
7 sectors of the economy, including agriculture, indus-
8 try, services, and intellectual property rights protec-
9 tion, to monitor and enforce the trade agreement ob-
10 ligations of the People's Republic of China in those
11 sectors.

12 (d) DEPARTMENT OF AGRICULTURE.—There are au-
13 thorized to be appropriated to the Department of Agri-
14 culture, in addition to amounts otherwise available for
15 such purposes, such sums as may be necessary for fiscal
16 year 2001, and each fiscal year thereafter, for additional
17 staff to increase legal and technical expertise in areas cov-
18 ered by trade agreements and United States trade law,
19 including food safety and biotechnology, for purposes of
20 monitoring compliance by the People's Republic of China
21 with its trade agreement obligations.



1 **Subtitle C—Relief From Market**
2 **Disruption to Industries and Di-**
3 **version of Trade to the United**
4 **States Market**

5 **SEC. 221. ACTION TO ADDRESS MARKET DISRUPTION.**

6 (a) PRESIDENTIAL ACTION.—If a product of the Peo-
7 ple’s Republic of China is being imported into the United
8 States in such increased quantities or under such condi-
9 tions as to cause or threaten to cause market disruption
10 to the domestic producers of a like or directly competitive
11 product, the President shall, in accordance with the provi-
12 sions of this section, proclaim increased duties or other
13 import restrictions with respect to such product, to the
14 extent and for such period as the President considers nec-
15 essary to prevent or remedy the market disruption.

16 (b) INITIATION OF AN INVESTIGATION.—(1) Upon
17 the filing of a petition by an entity described in section
18 202(a) of the Trade Act of 1974 (19 U.S.C. 2252(a)),
19 upon the request of the President or the United States
20 Trade Representative (in this subtitle referred to as the
21 “Trade Representative”), upon resolution of either the
22 Committee on Ways and Means of the House of Rep-
23 resentatives, or the Committee on Finance of the Senate
24 (in this subtitle referred to as the “Committees”) or on
25 its own motion, the United States International Trade



1 Commission (in this subtitle referred to as the “Commis-
2 sion”) shall promptly make an investigation to determine
3 whether products of the People’s Republic of China are
4 being imported into the United States in such increased
5 quantities or under such conditions as to cause or threaten
6 to cause market disruption to the domestic producers of
7 like or directly competitive products.

8 (2) The limitations on investigations set forth in sec-
9 tion 202(h)(1) of the Trade Act of 1974 (19 U.S.C.
10 2252(h)(1)) shall apply to investigations conducted under
11 this section.

12 (3) The provisions of subsections (a)(8) and (i) of
13 section 202 of the Trade Act of 1974 (19 U.S.C.
14 2252(a)(8) and (i)), relating to treatment of confidential
15 business information, shall apply to investigations con-
16 ducted under this section.

17 (4) Whenever a petition is filed, or a request or reso-
18 lution is received, under this subsection, the Commission
19 shall transmit a copy thereof to the President, the Trade
20 Representative, the Committee on Ways and Means of the
21 House of Representatives, and the Committee of Finance
22 of the Senate, except that in the case of confidential busi-
23 ness information, the copy may include only nonconfiden-
24 tial summaries of such information.



1 (5) The Commission shall publish notice of the com-
2 mencement of any proceeding under this subsection in the
3 Federal Register and shall, within a reasonable time there-
4 after, hold public hearings at which the Commission shall
5 afford interested parties an opportunity to be present, to
6 present evidence, to respond to the presentations of other
7 parties, and otherwise to be heard.

8 (c) MARKET DISRUPTION.—(1) For purposes of this
9 section, market disruption exists whenever imports of an
10 article like or directly competitive with an article produced
11 by a domestic industry are increasing rapidly, either abso-
12 lutely or relatively, so as to be a significant cause of mate-
13 rial injury, or threat of material injury, to the domestic
14 industry.

15 (2) For purposes of paragraph (1), the term “signifi-
16 cant cause” refers to a cause which contributes signifi-
17 cantly to the material injury of the domestic industry, but
18 need not be equal to or greater than any other cause.

19 (d) FACTORS IN DETERMINATION.—In determining
20 whether market disruption exists, the Commission shall
21 consider objective factors, including—

22 (1) the volume of imports of the product which
23 is the subject of the investigation;



1 (2) the effect of imports of such product on
2 prices in the United States for like or directly com-
3 petitive articles; and

4 (3) the effect of imports of such product on the
5 domestic industry producing like or directly competi-
6 tive articles.

7 The presence or absence of any factor under paragraph
8 (1), (2), or (3) is not necessarily dispositive of whether
9 market disruption exists.

10 (e) TIME FOR COMMISSION DETERMINATIONS.—The
11 Commission shall make and transmit to the President and
12 the Trade Representative its determination under sub-
13 section (b)(1) at the earliest practicable time, but in no
14 case later than 60 days (or 90 days in the case of a peti-
15 tion requesting relief under subsection (i)) after the date
16 on which the petition is filed, the request or resolution
17 is received, or the motion is adopted, under subsection (b).
18 If the Commissioners voting are equally divided with re-
19 spect to its determination, then the determination agreed
20 upon by either group of Commissioners may be considered
21 by the President and the Trade Representative as the de-
22 termination of the Commission.

23 (f) RECOMMENDATIONS OF COMMISSION ON PRO-
24 POSED REMEDIES.—If the Commission makes an affirma-
25 tive determination under subsection (b), or a determina-



1 tion which the President or the Trade Representative may
2 consider as affirmative under subsection (e), the Commis-
3 sion shall propose the amount of increase in, or imposition
4 of, any duty or other import restrictions necessary to pre-
5 vent or remedy the market disruption. Only those mem-
6 bers of the Commission who agreed to the affirmative de-
7 termination under subsection (b) are eligible to vote on
8 the proposed action to prevent or remedy market disrup-
9 tion. Members of the Commission who did not agree to
10 the affirmative determination may submit, in the report
11 required under subsection (g), separate views regarding
12 what action, if any, should be taken to prevent or remedy
13 market disruption.

14 (g) REPORT BY COMMISSION.—(1) Not later than 20
15 days after a determination under subsection (b) is made,
16 the Commission shall submit a report to the President and
17 the Trade Representative.

18 (2) The Commission shall include in the report re-
19 quired under paragraph (1) the following:

20 (A) The determination made under subsection
21 (b) and an explanation of the basis for the deter-
22 mination.

23 (B) If the determination under subsection (b) is
24 affirmative, or may be considered by the President
25 or the Trade Representative as affirmative under



1 subsection (e), the recommendations of the Commis-
2 sion on proposed remedies under subsection (f) and
3 an explanation of the basis for each recommenda-
4 tion.

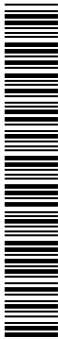
5 (C) Any dissenting or separate views by mem-
6 bers of the Commission regarding the determination
7 and any recommendation referred to in subpara-
8 graphs (A) and (B).

9 (D) A description of—

10 (i) the short- and long-term effects that
11 implementation of the action recommended
12 under subsection (f) is likely to have on the pe-
13 titioning domestic industry, on other domestic
14 industries, and on consumers; and

15 (ii) the short- and long-term effects of not
16 taking the recommended action on the peti-
17 tioning domestic industry, its workers, and the
18 communities where production facilities of such
19 industry are located, and on other domestic in-
20 dustries.

21 (3) The Commission, after submitting a report to the
22 President under paragraph (1), shall promptly make it
23 available to the public (but shall not include confidential
24 business information) and cause a summary thereof to be
25 published in the Federal Register.



1 (h) OPPORTUNITY TO PRESENT VIEWS AND EVI-
2 DENCE ON PROPOSED MEASURE AND RECOMMENDATION
3 TO THE PRESIDENT.—(1) Within 20 days after receipt of
4 the Commission's report under subsection (g) (or 15 days
5 in the case of an affirmative preliminary determination
6 under subsection (i)(1)(B)), the Trade Representative
7 shall publish in the Federal Register notice of any meas-
8 ure proposed by the Trade Representative to be taken pur-
9 suant to subsection (a) and of the opportunity, including
10 a public hearing, if requested, for importers, exporters,
11 and other interested parties to submit their views and evi-
12 dence on the appropriateness of the proposed measure and
13 whether it would be in the public interest.

14 (2) Within 55 days after receipt of the report under
15 subsection (g) (or 35 days in the case of an affirmative
16 preliminary determination under subsection (i)(1)(B)), the
17 Trade Representative, taking into account the views and
18 evidence received under paragraph (1) on the measure
19 proposed by the Trade Representative, shall make a rec-
20 ommendation to the President concerning what action, if
21 any, to take to prevent or remedy the market disruption.

22 (i) CRITICAL CIRCUMSTANCES.—(1) When a petition
23 filed under subsection (b) alleges that critical cir-
24 cumstances exist and requests that provisional relief be
25 provided under this subsection with respect to the product



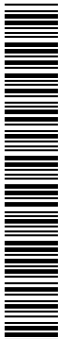
1 identified in the petition, the Commission shall, not later
2 than 45 days after the petition containing the request is
3 filed—

4 (A) determine whether delay in taking action
5 under this section would cause damage to the rel-
6 evant domestic industry which would be difficult to
7 repair; and

8 (B) if the determination under subparagraph
9 (A) is affirmative, make a preliminary determination
10 of whether imports of the product which is the sub-
11 ject of the investigation have caused or threatened to
12 cause market disruption.

13 If the Commissioners voting are equally divided with re-
14 spect to either of its determinations, then the determina-
15 tion agreed upon by either group of Commissioners may
16 be considered by the President and the Trade Representa-
17 tive as the determination of the Commission.

18 (2) On the date on which the Commission completes
19 its determinations under paragraph (1), the Commission
20 shall transmit a report on the determinations to the Presi-
21 dent and the Trade Representative, including the reasons
22 for its determinations. If the determinations under para-
23 graph (1) are affirmative, or may be considered by the
24 President or the Trade Representative as affirmative
25 under paragraph (1), the Commission shall include in its



1 report its recommendations on proposed provisional meas-
2 ures to be taken to prevent or remedy the market disrup-
3 tion. Only those members of the Commission who agreed
4 to the affirmative determinations under paragraph (1) are
5 eligible to vote on the proposed provisional measures to
6 prevent or remedy market disruption. Members of the
7 Commission who did not agree to the affirmative deter-
8 minations may submit, in the report, dissenting or sepa-
9 rate views regarding the determination and any rec-
10 ommendation of provisional measures referred to in this
11 paragraph.

12 (3) If the determinations under paragraph (1) are af-
13 firmative, or may be considered by the President or the
14 Trade Representative as affirmative under paragraph (1),
15 the Trade Representative shall, within 10 days after re-
16 ceipt of the Commission's report, determine the amount
17 or extent of provisional relief that is necessary to prevent
18 or remedy the market disruption and shall provide a rec-
19 ommendation to the President on what provisional meas-
20 ures, if any, to take.

21 (4)(A) The President shall determine whether to pro-
22 vide provisional relief and proclaim such relief, if any,
23 within 10 days after receipt of the recommendation from
24 the Trade Representative.

25 (B) Such relief may take the form of—



- 1 (i) the imposition of or increase in any duty;
2 (ii) any modification, or imposition of any quan-
3 titative restriction on the importation of an article
4 into the United States; or
5 (iii) any combination of actions under clauses
6 (i) and (ii).

7 (C) Any provisional action proclaimed by the Presi-
8 dent pursuant to a determination of critical circumstances
9 shall remain in effect not more than 200 days.

10 (D) Provisional relief shall cease to apply upon the
11 effective date of relief proclaimed under subsection (a),
12 upon a decision by the President not to provide such relief,
13 or upon a negative determination by the Commission
14 under subsection (b).

15 (j) AGREEMENTS WITH THE PEOPLE'S REPUBLIC OF
16 CHINA.—(1) The Trade Representative is authorized to
17 enter into agreements for the People's Republic of China
18 to take such action as necessary to prevent or remedy mar-
19 ket disruption, and should seek to conclude such agree-
20 ments before the expiration of the 60-day consultation pe-
21 riod provided for under the product-specific safeguard pro-
22 vision of the Protocol of Accession of the People's Republic
23 of China to the WTO, which shall commence not later
24 than 5 days after the Trade Representative receives an
25 affirmative determination provided for in subsection (e) or



1 a determination which the Trade Representative considers
2 to be an affirmative determination pursuant to subsection
3 (e).

4 (2) If no agreement is reached with the People's Re-
5 public of China pursuant to consultations under para-
6 graph (1), or if the President determines that an agree-
7 ment reached pursuant to such consultations is not pre-
8 venting or remedying the market disruption at issue, the
9 President shall provide import relief in accordance with
10 subsection (a).

11 (k) STANDARD FOR PRESIDENTIAL ACTION.—(1)
12 Within 15 days after receipt of a recommendation from
13 the Trade Representative under subsection (h) on the ap-
14 propriate action, if any, to take to prevent or remedy the
15 market disruption, the President shall provide import re-
16 lief for such industry pursuant to subsection (a), unless
17 the President determines that provision of such relief is
18 not in the national economic interest of the United States
19 or, in extraordinary cases, that the taking of action pursu-
20 ant to subsection (a) would cause serious harm to the na-
21 tional security of the United States.

22 (2) The President may determine under paragraph
23 (1) that providing import relief is not in the national eco-
24 nomic interest of the United States only if the President
25 finds that the taking of such action would have an adverse



1 impact on the United States economy clearly greater than
2 the benefits of such action.

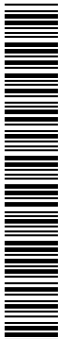
3 (l) PUBLICATION OF DECISION AND REPORTS.—(1)
4 The President's decision, including the reasons therefor
5 and the scope and duration of any action taken, shall be
6 published in the Federal Register.

7 (2) The Commission shall promptly make public any
8 report transmitted under this section, but shall not make
9 public any information which the Commission determines
10 to be confidential, and shall publish notice of such report
11 in the Federal Register.

12 (m) EFFECTIVE DATE OF RELIEF.—Import relief
13 under this section shall take effect not later than 15 days
14 after the President's determination to provide such relief.

15 (n) MODIFICATIONS OF RELIEF.—(1) At any time
16 after the end of the 6-month period beginning on the date
17 on which relief under subsection (m) first takes effect, the
18 President may request that the Commission provide a re-
19 port on the probable effect of the modification, reduction,
20 or termination of the relief provided on the relevant indus-
21 try. The Commission shall transmit such report to the
22 President within 60 days of the request.

23 (2) The President may, after receiving a report from
24 the Commission under paragraph (1), take such action to
25 modify, reduce, or terminate relief that the President de-



1 terminates is necessary to continue to prevent or remedy the
2 market disruption at issue.

3 (3) Upon the granting of relief under subsection (k),
4 the Commission shall collect such data as is necessary to
5 allow it to respond rapidly to a request by the President
6 under paragraph (1).

7 (o) EXTENSION OF ACTION.— (1) Upon request of
8 the President, or upon petition on behalf of the industry
9 concerned filed with the Commission not earlier than the
10 date which is 9 months, and not later than the date which
11 is 6 months, before the date any relief provided under sub-
12 section (k) is to terminate, the Commission shall inves-
13 tigate to determine whether action under this section con-
14 tinues to be necessary to prevent or remedy market dis-
15 ruption.

16 (2) The Commission shall publish notice of the com-
17 mencement of any proceeding under this subsection in the
18 Federal Register and shall, within a reasonable time there-
19 after, hold a public hearing at which the Commission shall
20 afford interested parties and consumers an opportunity to
21 be present, to present evidence, and to respond to the
22 presentations of other parties and consumers, and other-
23 wise to be heard.

24 (3) The Commission shall transmit to the President
25 a report on its investigation and determination under this



1 subsection not later than 60 days before the action under
2 subsection (m) is to terminate.

3 (4) The President, after receiving an affirmative de-
4 termination from the Commission under paragraph (3),
5 may extend the effective period of any action under this
6 section if the President determines that the action con-
7 tinues to be necessary to prevent or remedy the market
8 disruption.

9 **SEC. 222. ACTION IN RESPONSE TO TRADE DIVERSION.**

10 (a) MONITORING BY CUSTOMS SERVICE.—In any
11 case in which a WTO member other than the United
12 States requests consultations with the People's Republic
13 of China under the product-specific safeguard provision of
14 the Protocol of Accession of the People's Republic of
15 China to the World Trade Organization, the Trade Rep-
16 resentative shall inform the United States Customs Serv-
17 ice, which shall monitor imports into the United States
18 of those products of Chinese origin that are the subject
19 of the consultation request. Data from such monitoring
20 shall promptly be made available to the Commission upon
21 request by the Commission.

22 (b) INITIATION OF INVESTIGATION.—(1) Upon the
23 filing of a petition by an entity described in section 202(a)
24 of the Trade Act of 1974, upon the request of the Presi-
25 dent or the Trade Representative, upon resolution of ei-



1 ther of the Committees, or on its own motion, the Commis-
2 sion shall promptly make an investigation to determine
3 whether an action described in subsection (c) has caused,
4 or threatens to cause, a significant diversion of trade into
5 the domestic market in the United States.

6 (2) The Commission shall publish notice of the com-
7 mencement of any proceeding under this subsection in the
8 Federal Register and shall, within a reasonable time there-
9 after, hold public hearings at which the Commission shall
10 afford interested parties an opportunity to be present, to
11 present evidence, to respond to the presentations of other
12 parties, and otherwise to be heard.

13 (3) The provisions of subsections (a)(8) and (i) of
14 section 202 of the Trade Act of 1974 (19 U.S.C.
15 2252(a)(8) and (i)), relating to treatment of confidential
16 business information, shall apply to investigations con-
17 ducted under this section.

18 (c) ACTIONS DESCRIBED.—An action is described in
19 this subsection if it is an action—

20 (1) by the People's Republic of China to pre-
21 vent or remedy market disruption in a WTO mem-
22 ber other than the United States;

23 (2) by a WTO member other than the United
24 States to withdraw concessions under the WTO



1 Agreement or otherwise to limit imports to prevent
2 or remedy market disruption;

3 (3) by a WTO member other than the United
4 States to apply a provisional safeguard within the
5 meaning of the product-specific safeguard provision
6 of the Protocol of Accession of the People's Republic
7 of China to the WTO; or

8 (4) any combination of actions described in
9 paragraphs (1) through (3).

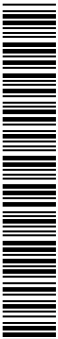
10 (d) BASIS FOR DETERMINATION OF SIGNIFICANT DI-
11 VERSION.—(1) In determining whether significant diver-
12 sion or the threat thereof exists for purposes of this sec-
13 tion, the Commission shall take into account, to the extent
14 such evidence is reasonably available—

15 (A) the monitoring conducted under subsection
16 (a);

17 (B) the actual or imminent increase in United
18 States market share held by such imports from the
19 People's Republic of China;

20 (C) the actual or imminent increase in volume
21 of such imports into the United States;

22 (D) the nature and extent of the action taken
23 or proposed by the WTO member concerned;



1 (E) the extent of exports from the People's Re-
2 public of China to that WTO member and to the
3 United States;

4 (F) the actual or imminent changes in exports
5 to that WTO member due to the action taken or
6 proposed;

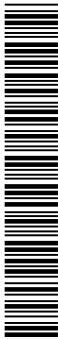
7 (G) the actual or imminent diversion of exports
8 from the People's Republic of China to countries
9 other than the United States;

10 (H) cyclical or seasonal trends in import vol-
11 umes into the United States of the products at
12 issue; and

13 (I) conditions of demand and supply in the
14 United States market for the products at issue.

15 The presence or absence of any factor under any of sub-
16 paragraphs (A) through (I) is not necessarily dispositive
17 of whether a significant diversion of trade or the threat
18 thereof exists.

19 (2) For purposes of making its determination, the
20 Commission shall examine changes in imports into the
21 United States from the People's Republic of China since
22 the time that the WTO member announced the commence-
23 ment of the investigation that led to a request for con-
24 sultations described in subsection (a).



1 (3) If more than 1 action by a WTO member or WTO
2 members against a particular product is identified in the
3 petition, request, or resolution under subsection (b) or
4 during the investigation, the Commission may cumula-
5 tively assess the actual or likely effects of such actions
6 jointly in determining whether a significant diversion of
7 trade exists.

8 (e) COMMISSION DETERMINATION; AGREEMENT AU-
9 THORITY.—(1) The Commission shall make and transmit
10 to the President and the Trade Representative its deter-
11 mination under subsection (b) at the earliest practicable
12 time, but in no case later than 45 days after the date on
13 which the petition is filed, the request or resolution is re-
14 ceived, or the motion is adopted, under subsection (b). If
15 the Commissioners voting are equally divided with respect
16 to its determination, then the determination agreed upon
17 by either group of Commissioners may be considered by
18 the President and the Trade Representative as the deter-
19 mination of the Commission.

20 (2) The Trade Representative is authorized to enter
21 into agreements for the People's Republic of China to take
22 such action as necessary to prevent or remedy significant
23 trade diversion into the domestic market in the United
24 States, and should seek to conclude such agreements be-
25 fore the expiration of the 60-day consultation period pro-



1 vided for under the product-specific safeguard provision
2 of the Protocol of Accession of the People's Republic of
3 China to the WTO, which shall commence not later than
4 5 days after the Trade Representative receives an affirma-
5 tive determination provided for in paragraph (1) or a de-
6 termination which the trade Representative considers to
7 be an affirmative determination pursuant to paragraph
8 (1).

9 (3) REPORT BY COMMISSION.—

10 (A) Not later than 10 days after a determina-
11 tion under subsection (b), is made, the Commission
12 shall submit a report to the President and the Trade
13 Representative.

14 (B) The Commission shall include in the report
15 required under subparagraph (A) the following:

16 (i) The determination made under sub-
17 section (b) and an explanation of the basis for
18 the determination.

19 (ii) If the determination under subsection
20 (b) is affirmative, or may be considered by the
21 President or the Trade Representative as af-
22 firmative under subsection (e)(1), the rec-
23 ommendations of the Commission on increased
24 tariffs or other import restrictions to be im-
25 posed to prevent or remedy the trade diversion



1 or threat thereof, and explanations of the bases
2 for such recommendations. Only those members
3 of the Commission who agreed to the affirma-
4 tive determination under subsection (b) are eli-
5 gible to vote on the proposed action to prevent
6 or remedy the trade diversion or threat thereof.

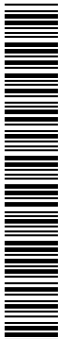
7 (iii) Any dissenting or separate views by
8 members of the Commission regarding the de-
9 termination and any recommendation referred
10 to in clauses (i) and (ii).

11 (iv) A description of—

12 (I) the short- and long-term effects
13 that implementation of the action rec-
14 ommended under clause (ii) is likely to
15 have on the petitioning domestic industry,
16 on other domestic industries, and on con-
17 sumers; and

18 (II) the short- and long-term effects
19 of not taking the recommended action on
20 the petitioning domestic industry, its work-
21 ers and the communities where production
22 facilities of such industry are located, and
23 on other domestic industries.

24 (C) The Commission, after submitting a report
25 to the President under subparagraph (A), shall



1 promptly make it available to the public (with the
2 exception of confidential business information) and
3 cause a summary thereof to be published in the Fed-
4 eral Register.

5 (f) PUBLIC COMMENT.—If consultations fail to lead
6 to an agreement with the People's Republic of China or
7 the WTO member concerned within 60 days, the Trade
8 Representative shall promptly publish notice in the Fed-
9 eral Register of any proposed action to prevent or remedy
10 the trade diversion, and provide an opportunity for inter-
11 ested persons to present views and evidence on whether
12 the proposed action is in the public interest.

13 (g) RECOMMENDATION TO THE PRESIDENT.—Within
14 20 days after the end of consultations pursuant to sub-
15 section (e), the Trade Representative shall make a rec-
16 ommendation to the President on what action, if any,
17 should be taken to prevent or remedy the trade diversion
18 or threat thereof.

19 (h) PRESIDENTIAL ACTION.—Within 20 days after
20 receipt of the recommendation from the Trade Represent-
21 ative, the President shall determine what action to take
22 to prevent or remedy the trade diversion or threat thereof.

23 (i) DURATION OF ACTION.—Action taken under sub-
24 section (h) shall be terminated not later than 30 days after
25 expiration of the action taken by the WTO member or



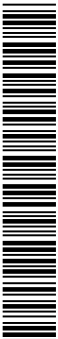
1 members involved against imports from the People's Re-
2 public of China.

3 (j) REVIEW OF CIRCUMSTANCES.—(1) The Commis-
4 sion shall review the continued need for action taken under
5 subsection (h) if the WTO member or members involved
6 notify the Committee on Safeguards of the WTO of any
7 modification in the action taken by them against the Peo-
8 ple's Republic of China pursuant to consultation referred
9 to in subsection (a). The Commission shall, not later than
10 60 days after such notification, determine whether a sig-
11 nificant diversion of trade continues to exist and report
12 its determination to the President. The President shall de-
13 termine, within 15 days after receiving the Commission's
14 report, whether to modify, withdraw, or keep in place the
15 action taken under subsection (h).

16 **SEC. 223. REGULATIONS; TERMINATION OF PROVISION.**

17 (a) TO CARRY OUT RESTRICTIONS AND MONI-
18 TORING.—The President shall by regulation provide for
19 the efficient and fair administration of any restriction pro-
20 claimed pursuant to the subtitle and to provide for effec-
21 tive monitoring of imports under section 222(a).

22 (b) TO CARRY OUT AGREEMENTS.—To carry out an
23 agreement concluded pursuant to consultations under sec-
24 tion 221(j) or 222(e)(2), the President is authorized to



1 prescribe regulations governing the entry or withdrawal
2 from warehouse of articles covered by such agreement.

3 (c) TERMINATION DATE.—This subtitle and any reg-
4 ulations issued under this subtitle shall cease to be effec-
5 tive 12 years after the date of entry into force of the Pro-
6 tocol of Accession of the People’s Republic of China to
7 the WTO.

8 **SEC. 224. AMENDMENT TO SECTION 123 OF THE TRADE ACT**
9 **OF 1974—COMPENSATION AUTHORITY.**

10 Section 123(a)(1) of the Trade Act of 1974 (19
11 U.S.C. 2133(a)(1)) is amended by inserting after “title
12 III” the following; “, or under subtitle C of title II of the
13 U.S.-China Relations Act of 2000”.

14 **Subtitle D—Report on Compliance**
15 **by the People’s Republic of**
16 **China With WTO Obligations**

17 **SEC. 231. REPORT ON COMPLIANCE.**

18 (a) IN GENERAL.—Not later than 1 year after the
19 entry into force of the Protocol of Accession of the Peo-
20 ple’s Republic of China to the WTO, and annually there-
21 after, the Trade Representative shall submit a report to
22 Congress on compliance by the People’s Republic of China
23 with commitments made in connection with its accession
24 to the World Trade Organization, including both multilat-



1 eral commitments and any bilateral commitments made to
2 the United States.

3 (b) PUBLIC PARTICIPATION.—In preparing the re-
4 port described in subsection (a), the Trade Representative
5 shall seek public participation by publishing a notice in
6 the Federal Register and holding a public hearing.

7 **TITLE III—TRADE AND RULE OF**
8 **LAW ISSUES IN THE PEOPLE’S**
9 **REPUBLIC OF CHINA**

10 **Subtitle A—Task Force on Prohibi-**
11 **tion of Importation of Products**
12 **of Forced or Prison Labor From**
13 **the People’s Republic of China**

14 **SEC. 301. ESTABLISHMENT OF TASK FORCE.**

15 There is hereby established a task force on prohibi-
16 tion of importation of products of forced or prison labor
17 from the People’s Republic of China (hereafter in this sub-
18 title referred to as the “Task Force”).

19 **SEC. 302. FUNCTIONS OF TASK FORCE.**

20 The Task Force shall monitor and promote effective
21 enforcement of and compliance with section 307 of the
22 Tariff Act of 1930 (19 U.S.C. 1307) by performing the
23 following functions:

24 (1) Coordinate closely with the United States
25 Customs Service to promote maximum effectiveness



1 in the enforcement by the Customs Service of section
2 307 of the Tariff Act of 1930 with respect to the
3 products of the People's Republic of China. In order
4 to assure such coordination, the Customs Service
5 shall keep the Task Force informed, on a regular
6 basis, of the progress of its investigations of allega-
7 tions that goods are being entered into the United
8 States, or that such entry is being attempted, in vio-
9 lation of the prohibition in section 307 of the Tariff
10 Act of 1930 on entry into the United States of
11 goods mined, produced, or manufactured wholly or
12 in part in the People's Republic of China by convict
13 labor, forced labor, or indentured labor under penal
14 sanctions. Such investigations may include visits to
15 foreign sites where goods allegedly are being mined,
16 produced, or manufactured in a manner that would
17 lead to prohibition of their importation into the
18 United States under section 307 of the Tariff Act of
19 1930.

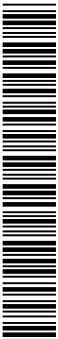
20 (2) Make recommendations to the Customs
21 Service on seeking new agreements with the People's
22 Republic of China to allow Customs Service officials
23 to visit sites where goods may be mined, produced,
24 or manufactured by convict labor, forced labor, or
25 indentured labor under penal sanctions.



1 (3) Work with the Customs Service to assist the
2 People's Republic of China and other foreign govern-
3 ments in monitoring the sale of goods mined, pro-
4 duced, or manufactured by convict labor, forced
5 labor, or indentured labor under penal sanctions to
6 ensure that such goods are not exported to the
7 United States.

8 (4) Coordinate closely with the Customs Service
9 to promote maximum effectiveness in the enforce-
10 ment by the Customs Service of section 307 of the
11 Tariff Act of 1930 with respect to the products of
12 the People's Republic of China. In order to assure
13 such coordination, the Customs Service shall keep
14 the Task Force informed, on a regular basis, of the
15 progress of its monitoring of ports of the United
16 States to ensure that goods mined, produced, or
17 manufactured wholly or in part in the People's Re-
18 public of China by convict labor, forced labor, or in-
19 dentured labor under penal sanctions are not im-
20 ported into the United States.

21 (5) Advise the Customs Service in performing
22 such other functions, consistent with existing au-
23 thority, to ensure the effective enforcement of sec-
24 tion 307 of the Tariff Act of 1930.



1 (6) Provide to the Customs Service all informa-
2 tion obtained by the departments represented on the
3 Task Force relating to the use of convict labor,
4 forced labor, or/and indentured labor under penal
5 sanctions in the mining, production, or manufacture
6 of goods which may be imported into the United
7 States.

8 **SEC. 303. COMPOSITION OF TASK FORCE.**

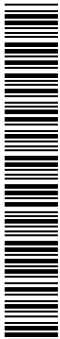
9 The Secretary of the Treasury, the Secretary of Com-
10 merce, the Secretary of Labor, the Secretary of State, the
11 Commissioner of Customs, and the heads of other execu-
12 tive branch agencies, as appropriate, acting through their
13 respective designees at or above the level of Deputy Assist-
14 ant Secretary, or in the case of the Customs Service, at
15 or above the level of Assistant Commissioner, shall com-
16 pose the Task Force. The designee of the Secretary of the
17 Treasury shall chair the Task Force.

18 **SEC. 304. AUTHORIZATION OF APPROPRIATIONS.**

19 There are authorized to be appropriated for fiscal
20 year 2001, and each fiscal year thereafter, such sums as
21 may be necessary for the Task Force to carry out the
22 functions described in section 302.

23 **SEC. 305. REPORTS TO CONGRESS.**

24 (a) FREQUENCY OF REPORTS.—Not later than the
25 date that is one year after the date of the enactment of



1 this Act, and not later than the end of each 1-year period
2 thereafter, the Task Force shall submit to the Congress
3 a report on the work of the Task Force during the pre-
4 ceding 1-year period.

5 (b) CONTENTS OF REPORTS.—Each report under
6 subsection (a) shall set forth, at a minimum—

7 (1) the number of allegations of violations of
8 section 307 of the Tariff Act of 1930 with respect
9 to products of the Peoples' Republic of China that
10 were investigated during the preceding 1-year pe-
11 riod;

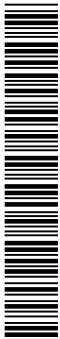
12 (2) the number of actual violations of section
13 307 of the Tariff Act of 1930 with respect to the
14 products of the People's Republic of China that were
15 discovered during the preceding 1-year period;

16 (3) in the case of each attempted entry of prod-
17 ucts of the People's Republic of China in violation
18 of such section 307 discovered during the preceding
19 1-year period—

20 (A) the identity of the exporter of the
21 goods;

22 (B) the identity of the person or persons
23 who attempted to sell the goods for export; and

24 (C) the identity of all parties involved in
25 transshipment of the goods; and



1 (4) such other information as the Task Force
2 considers useful in monitoring and enforcing compli-
3 ance with section 307 of the Tariff Act of 1930.

4 **Subtitle B—Assistance To Develop**
5 **Commercial and Labor Rule of Law**

6 **SEC. 311. ESTABLISHMENT OF TECHNICAL ASSISTANCE**
7 **AND RULE OF LAW PROGRAMS.**

8 (a) COMMERCE RULE OF LAW PROGRAM.—The Sec-
9 retary of Commerce, with the concurrence of the Secretary
10 of State, is authorized to establish a program to conduct
11 rule of law training and technical assistance related to
12 commercial activities in the People's Republic of China.

13 (b) LABOR RULE OF LAW PROGRAM.—

14 (1) IN GENERAL.—The Secretary of Labor,
15 with the concurrence of the Secretary of State, is
16 authorized to establish a program to conduct rule of
17 law training and technical assistance related to the
18 protection of internationally recognized worker
19 rights in the People's Republic of China.

20 (2) USE OF AMOUNTS.—In carrying out para-
21 graph (1), the Secretary of Labor shall focus on ac-
22 tivities including, but not limited to—

23 (A) developing, laws, regulations, and
24 other measures to implement internationally
25 recognized worker rights;



1 (B) establishing national mechanisms for
2 the enforcement of national labor laws and reg-
3 ulations;

4 (C) training government officials concerned
5 with implementation and enforcement of na-
6 tional labor laws and regulations; and

7 (D) developing an educational infrastruc-
8 ture to educate workers about their legal rights
9 and protections under national labor laws and
10 regulations.

11 (3) LIMITATION.—The Secretary of Labor may
12 not provide assistance under the program estab-
13 lished under this subsection to the All-China Federa-
14 tion of Trade Unions.

15 (c) LEGAL SYSTEM AND CIVIL SOCIETY RULE OF
16 LAW PROGRAM.—The Secretary of State is authorized to
17 establish a program to conduct rule of law training and
18 technical assistance related to development of the legal
19 system and civil society generally in the People's Republic
20 of China.

21 (d) CONDUCT OF PROGRAMS.—The programs author-
22 ized by this section may be used to conduct activities such
23 as seminars and workshops, drafting of commercial and
24 labor codes, legal training, publications, financing the op-
25 erating costs for nongovernmental organizations working



1 in this area, and funding the travel of individuals to the
2 United States and to the People's Republic of China to
3 provide and receive training.

4 **SEC. 312. ADMINISTRATIVE AUTHORITIES.**

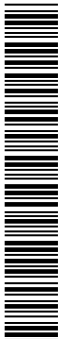
5 In carrying out the programs authorized by section
6 311, the Secretary of Commerce and the Secretary of
7 Labor (in consultation with the Secretary of State) may
8 utilize any of the authorities contained in the Foreign As-
9 sistance Act of 1961 and the Foreign Service Act of 1980.

10 **SEC. 313. PROHIBITION RELATING TO HUMAN RIGHTS**
11 **ABUSES.**

12 Amounts made available to carry out this subtitle
13 may not be provided to a component of a ministry or other
14 administrative unit of the national, provincial, or other
15 local governments of the People's Republic of China, to
16 a nongovernmental organization, or to an official of such
17 governments or organizations, if the President has cred-
18 ible evidence that such component, administrative unit, or-
19 ganization or official has been materially responsible for
20 the commission of human rights violations.

21 **SEC. 314. AUTHORIZATION OF APPROPRIATIONS.**

22 (a) **COMMERCIAL LAW PROGRAM.**—There are author-
23 ized to be appropriated to the Secretary of Commerce to
24 carry out the program described in section 311(a) such



1 sums as may be necessary for fiscal year 2001, and each
2 fiscal year thereafter.

3 (b) LABOR LAW PROGRAM.—There are authorized to
4 be appropriated to the Secretary of Labor to carry out
5 the program described in section 311(b) such sums as may
6 be necessary for fiscal year 2001, and each fiscal year
7 thereafter.

8 (c) LEGAL SYSTEM AND CIVIL SOCIETY RULE OF
9 LAW PROGRAM.—There are authorized to be appropriated
10 to the Secretary of State to carry out the program de-
11 scribed in section 311(c) such sums as may be necessary
12 for fiscal year 2001, and each fiscal year thereafter.

13 (d) CONSTRUCTION WITH OTHER LAWS.—Except as
14 provided in this Act, funds may be made available to carry
15 out the purposes of this subtitle notwithstanding any other
16 provision of law.

17 **TITLE IV—ACCESSION OF**
18 **TAIWAN TO THE WTO**

19 **SEC. 401. ACCESSION OF TAIWAN TO THE WTO.**

20 It is the sense of Congress that—

21 (1) immediately upon approval by the General
22 Council of the WTO of the terms and conditions of
23 the accession of the People's Republic of China to
24 the WTO, the United States representative to the
25 WTO should request that the General Council of the



1 WTO consider Taiwan's accession to the WTO as
2 the next order of business of the Council during the
3 same session; and

4 (2) the United States should be prepared to ag-
5 gressively counter any effort by any WTO member,
6 upon the approval of the General Council of the
7 WTO of the terms and conditions of the accession
8 of the People's Republic of China to the WTO, to
9 block the accession of Taiwan to the WTO.

